CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

FEBRUARY 6, 2007

INVOCATION:
Pastor Carl Nielsen of Bethel Lutheran Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Boy Scout Shawn McCullough led the pledge of allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Police Commander Mawhinney, Director of Community Development Lindsey, Director of Administrative Services Snodgrass, Fire Chief Ortiz, Director of Utilities Sweet, Director of Public Works/City Engineer Whitehead, Director of Recreation and Parks Posada, Utilities Engineer Brad Hagemann, and Chief Deputy City Clerk Perez.

ANNOUNCEMENTS
Mayor Lavagnino expressed condolences for the passing of former City Councilmember and Planning Commissioner James "Jim" May who died on February 4th at the age of 85 years. Mayor Lavagnino read a press release highlighting Mr. May's illustrious career of public service.

Director of Utilities introduced the City's new Utilities Engineer, Brad Hagemann.

PRESENTATION BY BOY SCOUTS OF AMERICA
Pat Sheehey, District Vice Chair, gave an overview of the State of the District report for the Live Oak District and the impact of scouting in the Santa Maria Valley as they celebrate the 100th Anniversary of scouting on February 6, 2007.

Jonathan Rodriguez, a Scout from Troup 95 and a junior at Righetti High School, talked about his experiences with scouting. It has trained him to be a leader, to be brave, to be confident, to be fair and to do the right thing. He said for his Eagle Scout project, he was considering putting a partial shading cover, benches, and a water fountain at the new skate park being built near the Crossroads Shopping Center.

GEM AWARD
City Manager Ness presented the quarterly GEM (Going the Extra Mile) Award to Senior Deputy City Attorney Wendy Stockton and Planner III William "Bill" Shipsey for their hard work and commitment "to creating a Housing Element that in December 2006 achieved certification by the State of California. Their work included late evenings, weekends, and rescheduling personal time to meet their end-of-the-year timeline."

PROCLAMATION – FFA WEEK
Councilmember Patino read a proclamation declaring the week of February 17th through 24th, 2007, as "FFA Week" (Future Farmers of America) in the City of Santa Maria. The proclamation was accepted by FFA Member Kelee Harding.

PUBLIC COMMENT
Harrell Fletcher spoke about Jim May's involvement with the Boy Scouts, and all the things he did for the Santa Maria Valley including the work he did for affordable housing. He said the community should be proud to have a native son like Jim May.

Mayor Lavagnino indicated the City would be looking at a way to permanently honor Mr. May.

Joan Leon announced that a new coalition had been formed called the Santa Maria Community Coalition consisting of the League of Women Voters, North Santa Barbara County Women's Political Committee, Santa Barbara County Action Network (SBCAN), Democratic Club of Santa Maria Valley, Green Party, Tri-Counties Labor Council, PUEBLO, MAPA, and the Mobilehome Owners Group. Their mission will be to closely monitor City government and take action when needed to promote good government and public participation. To have more public participation, she requested the agenda be available sooner than the Friday before the next Council meeting. She also asked that Item 3C regarding televising public meetings be pulled from the Consent Agenda for discussion.

Joan Leon submitted a letter from James Murr, a member of the Santa Maria Community Coalition, requesting that the agenda be posted on Wednesday prior to the City Council meeting.

Mayor Lavagnino indicated that he received the agenda packet on Thursday before the Council meeting which is adequate time for him to review it. He also said he did not know of an instance when a Councilmember was refused a request to have an item continued to the next meeting if a Councilmember needed more time.

Deborah Braskett stated she was speaking on behalf of SBCAN, and also urged the Council to have the City Council agenda available to the community on the Wednesday before the City Council meetings. She also requested that the Planning Commission minutes on the City's website be brought up to date. She asked that Consent Agenda Item 3C be pulled for discussion.

Toru Miyoshi asked that not only the agenda, but the entire agenda packet be made available earlier so this new coalition could be more of a partner in the decision making process. He talked about an article in the *Sun* regarding a study for a jail in the North County which included a discussion about the State helping with the funding if a 500-bed State prison was included with the County jail. He asked that the Council discuss it and take a position to oppose a State prison. He also talked about 187,000 cubic yards of NHIS material coming to the City from the Port of Long Beach and asked for information on that.

CONSENT CALENDAR
Mayor Lavagnino pulled Item 3C for discussion.

Item 3C – Report Regarding Continuing the Practice of Televising only City Council and PEG TV meetings.

Joan Leon stated she thought it was important that the Planning Commission meetings be televised. She said she understood that it would only cost about $15,000 a year which was an investment in helping the public to participate. A lot of decisions are made at the Planning Commission level and do not go to the City Council. The public had the right to be informed about what the Planning Commission was doing.

Mayor Lavagnino asked City Manager Ness to explain AB2987.

City Manager Ness stated there were several reasons listed in the Agenda Report on why staff felt it was premature to begin televising Planning Commission or Recreation and Parks Commission meetings. One of the reasons was AB2987 which is a piece of legislation approved last year by the State legislature and signed into law by the Governor. Clean up legislation is supposed to be introduced this year. What AB2987 did was allow non-cable companies such as telephone companies to compete against cable companies for television services and programming. In addition to that, it provided that State franchises would be created as opposed to local franchises. The City does not know what the impacts of that will be. There is also competing Federal

legislation that is contradictory to AB2987. Staff does not know the impact of that legislation yet. Staff is being very cautious in proceeding forward with televising other meetings.

Councilmember Zacarías stated she also felt it was important to televise Planning Commission meetings. She asked the Council to consider making the investment of $15,000 a year to do that.

Assistant City Manager Haydon explained that the City had one and one-half staff members that serve the media center and televise the Council meetings. The $15,000 represents increasing the part-time position to full-time or hiring an additional part time person.

Councilmember Zacarías stated her concern was that the minutes of the Planning Commission meetings were not available. The Planning Commission is where decisions are made on how the City grows. It is a very important role the Planning Commission plays.

Councilmember Trujillo stated it wasn't just the $15,000, it was staff time and air time.

Councilmember Orach stated he understood $15,000 wasn't a lot of money, but it was tax payers' money. When there are other critical issues facing the City, that $15,000 is significant.

Consent Calendar Items A through J were approved on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar are adopted by the same vote cast at the first reading unless City Council indicates otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of January 16, 2007, were approved as submitted.

C. TELEVISING PUBLIC MEETINGS
Resolution No. 2007-14 was adopted continuing the practice of televising only City Council and Santa Maria Community Television Board of Directors meetings until such time as the full financial impact of AB2987, as well as federal legislation related to cable television revenues are known.

Resolution No. 2007-14 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, CONTINUING THE PRACTICE OF TELEVISING ONLY CITY COUNCIL AND PUBLIC, EDUCATION AND GOVERNMENT (PEG) BOARD MEETINGS.

D. WARRANTS
Warrant Nos. 132159 to 132588 in the amount of $4,560,576.66 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 132016 and 132214 were canceled.

E. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative

Services and having been approved for payment by the Director of Administrative Services.

F. ORDINANCE NO. 2007-01
Second reading of Ordinance No. 2007-01 amending Chapters 8, 10, and 13 of Title 12 of the Santa Maria Municipal Code to delete senior citizen housing from the list of conditional uses permitted was conducted by title only and the ordinance was adopted.

Ordinance No. 2007-01 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING CHAPTERS 12-8, 12-10, AND 12-13 OF THE SANTA MARIA MUNICIPAL CODE, PERTAINING TO SENIOR CITIZEN HOUSING.

G. JOINT USE AGREEMENT
Resolution No. 2007-15 was adopted approving a Joint Use Agreement between the Central Coast Literacy Council and the City of Santa Maria to provide literacy service at the new main library.

Resolution No. 2007-15 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE RECOMMENDATION OF THE BOARD OF LIBRARY TRUSTEES TO APPROVE THE JOINT USE AGREEMENT BETWEEN THE CENTRAL COAST LITERACY COUNCIL AND THE CITY OF SANTA MARIA TO PROVIDE LITERACY SERVICES AT THE NEW MAIN LIBRARY.

H. NOTICE OF COMPLETION
Council authorized the filing of a Notice of Contract Completion for the South Miller Street and East Cook Street Improvements Project, Bid No. 2006/10, and directed the Chief Deputy City Clerk to record same.

I. SUBDIVISION MAP AND AGREEMENT
Resolution No. 2007-16 was adopted approving a Subdivision Map and Agreement for Concha Investments, Tract 5855, generally located at 2936 Industrial Parkway.

Resolution No. 2007-16 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APROVING THE SUBDIVISION MAP AND AGREEMENT FOR CONCHA INVESTMENTS, TRACT 5855.

J. MEMORANDUM OF UNDERSTANDING
Resolution No. 2007-17 was adopted approving a Memorandum of Understanding between the City and Santa Barbara County Association of Governments (SBCAG) memorializing the exchange of federal for state Regional Surface Transportation Program funds for the Union Valley Parkway Project.

Resolution No. 2007-17 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A MEMORANDUM OF UNDERSTANDING WITH SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS FOR UNION VALLEY PARKWAY FUNDING.

APPOINTMENTS TO BOARDS/COMMITTEES AND COMMISSIONS
Chief Deputy City Clerk Perez gave the staff report. The terms of certain members of the City's Advisory Bodies expired on January 31, 2007. Some of the vacancies were filled by City Council appointment on January 16th. Insufficient applications were received by the filing deadline for the All-America City Committee and the Landmark Committee. The filing deadline for these vacancies was extended to January 24th. Additionally, a new vacancy occurred on the Block Grants Advisory Committee due to the resignation of Committee Member Willie Green. The filing deadline for that vacancy was January 19th. Twelve applications were received for the five vacancies on the All-America City Committee. Nominations will be made by Councilmembers Orach, Patino, Zacarias, and Mayor Lavagnino. Four applications were received for the vacancy on the Block Grants Advisory Committee. The nomination will be made by Councilmember Trujillo. Five applications were received for the one seat on the Landmark Committee.

All-America City Committee
Councilmember Patino nominated Incumbent Francisco Rodriguez for another term. Councilmember Zacarias nominated Angel Castro. Mayor Lavagnino nominated Incumbents Laura Mohajer and Andrew Maldonado. Councilmember Orach requested the Community Education vacancy be readvertised.

On motion by Mayor Lavagnino, seconded by Councilmember Patino, and carried unanimously, the nominations were approved, and staff was directed to readvertise the Community Education vacancy.

Block Grants Advisory Committee
Councilmember Trujillo nominated Rosalie Marquez.

On motion by Mayor Lavagnino, seconded by Councilmember Orach, and carried unanimously, the nomination was approved.

Landmark Committee
Mayor Lavagnino moved to appoint Judith Kincaid. The motion was seconded by Councilmember Patino, and carried unanimously.

Mayor Lavagnino thanked all the applicants for their willingness to serve the City and congratulated the appointees.

BUSINESS RETENTION AND ATTRACTION LOAN
Director of Administrative Services Snodgrass gave the staff report. In January 2005 the City Council authorized the creation of a Business Retention and Attraction Loan Program. The Council adopted specific guidelines and criteria for processing of loans under this program. The Chamber of Commerce administers the program and contracts with Coastal Business Finance to review and evaluate the loan applications. Coastal Business Finance has recommended approval of the first loan under the City's program in the amount of $74,650 to New Life Painting, Inc., doing business as Dream Makers Bath and Kitchen. New Life Painting has been in business for 28 years and specializes in residential and commercial painting. The company has recently purchased a new commercial facility in Santa Maria with the goal of opening a showroom and expanding into bath and kitchen remodeling. The company has started the process of acquiring a franchise with Dream Maker Bath and Kitchen. The purpose of the loan is to assist New Life Painting, Inc. with expansion of their existing business including leasehold improvements to their existing commercial building along with working capital and purchase of equipment.

Bob Hatch, Chamber of Commerce, stated the Chamber saw this as a wonderful economic development tool that furthers the City Council's commitment to economic development.

Brian Kearns, Coastal Business Finance, stated there were many small businesses in the community in need of this type of loan program. It provides a direct benefit for job growth and economic development. He said there have been more than one application for this program, but those applicants were not quite ready to proceed.

Councilmember Zacarias asked for clarification on the sale of surplus water that was used to fund this program.

Director of Administrative Services Snodgrass stated it was surplus groundwater that has been recirculated, not State water. The City did not sell State water entitlement.

Toru Miyoshi spoke against using the funds from selling surplus water for this program. He said this was recharged State water and the funds should belong to the water users of Santa Maria. He said he strongly objected to the diversion of funds that should be for the rate payers to reduce their high water bills. He said he was not sure it was even legal.

City Attorney Trujillo stated he would be happy to meet with Mr. Miyoshi to explain the matter to him. He said he believed the action the Council would be taking was justifiable and legal.

Resolution No. 2007-18 was adopted approving a loan in the amount of $74,650 to New Life Painting, Inc., on motion by Councilmember Zacarias, seconded by Councilmember Orach, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2007-18 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE RECOMMENDATION OF COASTAL BUSINESS FINANCE TO FUND A BUSINESS LOAN IN THE AMOUNT OF $74,650 TO NEW LIFE PAINTING, INC., DBA DREAM MAKER BATH AND KITCHEN, UNDER THE BUSINESS RETENTION AND ATTRACTION LOAN PROGRAM AND AUTHORIZING THE CITY MANAGER TO EXECUTE LOAN DOCUMENTS FOR THE AMOUNT AND TERMS SPECIFIED BY COUNCIL.

AT THIS TIME MAYOR LAVAGNINO RECESSED THE CITY COUNCIL MEETING AT 7:45 P.M. AND CALLED THE REDEVELOPMENT AGENCY MEETING TO ORDER.

ROLL CALL: Board Member Orach, Patino, Trujillo, Zacarías, and Chairperson Lavagnino were all present.

IMPLEMENTATION AGREEMENT WITH MALL AT SANTA MARIA, LLC.

Agency Counsel Trujillo gave the staff report. On October 18, 2005, the Redevelopment Agency and the Mall at Santa Maria, LLC, entered into a Memorandum of Understanding (MOU) regarding the proposal for a multiplex theater at the Santa Maria Towncenter Mall. The Mall at Santa Maria, LLC has received approval for the construction of a new multiplex theater facility in the existing Gottschalk's building near the corner of East Cook Street and South Broadway in the City of Santa Maria. Building permits are ready for issuance. However, part of the new building construction will occupy land owned by the Redevelopment Agency of the City of Santa Maria. The Redevelopment Agency approved the Gottschalk's Lot Line Adjustment on November 7, 2006, which when recorded, will transfer approximately 24,832 square feet of Agency owned parking lot to the Mall at Santa Maria, LLC. This property transfer will be necessary to accommodate the proposed building addition for the expansion of the first floor of the existing Gottschalk's building. On November 21, 2006, the City and Agency approved the First Modification of Amendment No. 3 To And Restatement Of Construction, Operation and Reciprocal Easement Agreement. The Reciprocal Easement Agreement governs the Towncenter East Mall and the relationship of the parties. Because the proposed project would change the foot print or configuration of the Mall and would result in a loss of 58 parking spaces, it required the consent of all the parties to the Reciprocal Easement Agreement. The Implementation Agreement is intended to serve as a binding agreement regarding the lot line adjustment. The Agreement imposes on the Mall at Santa Maria, LLC a number of conditions that the Mall must satisfy before the Agency will record the Lot Line Adjustment, which will effectively transfer title of the Agency property to the Mall.

Redevelopment Agency Resolution No. 2007-01 was adopted approving the Implementation Agreement on motion by Board Member Trujillo, seconded by Board Member Patino, and carried on the following vote:

AYES: Board Members Orach, Patino, Trujillo, Zacarias, and Chairperson Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

RDA Resolution No. 2007-01 adopted. A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING THE CHAIRMAN AND SECRETARY TO SIGN THE IMPLEMENTATION AGREEMENT FOR THE GALAXY THEATER PROJECT.

MAYOR LAVAGNINO ADJOURNED THE REDEVELOPMENT AGENCY MEETING AT 7:50 PM AND RECONVENED THE CITY COUNCIL MEETING.

All members of the City Council were again present.

CITY MANAGER'S REPORT

City Manager Ness reported on items for the February 20, 2007, City Council meeting including two presentations by the Chamber of Commerce on the Economic Development Committee and Visitors and Conference Bureau; a TEFRA hearing for Catholic Healthcare West (Marian Medical Center), and the 2nd Quarter Financial Report.

Director of Utilities Sweet gave a brief presentation on the status of the Santa Maria Levee. He said after Hurricane Katrina, there was a nation-wide concern about the stability of levees throughout the Country. In Santa Maria, staff believes there is an issue, and the levee does need to be restored. The Army Corp referred to it as "critical and urgent" to fix the levee. It is a 22-mile long levee composed of sand with a rock armor. The rock armor has deteriorated over time and is no longer sufficient protection. FEMA is redoing the City's flood plain map. Staff does not know what areas FEMA will put in the flood plain. Although the City does not own the levee, it is an extremely interested participant in the process. The estimates are between $25 million and $35 million to fix the part of the levee adjacent to the City. To get into the process for receiving federal funding, a preliminary study has to be done with the Army Corps of Engineers. During the federal budget process last year, funding in the amount of $300,000 for the study was earmarked for the Army Corps. With the change in Congress, all earmarks are not going to be allocated. Staff is again asking for funding for the Army Corps to do the initial study in the amount of $500,000. After the study is done, the City will know what the fix needs to be. Then the funding will need to be found to complete the work. There are several options available for funding. The federal FEMA maps will probably be issued sometime this fall. Those areas that are designated to be in the flood zone will be required to have flood insurance if the property is financed. FEMA will be doing a significant public outreach and public review process before the maps are deemed official. If a person buys flood insurance before those maps are adopted, it will cost $317 a year. After the maps are official, it could run over $2,000 a year.

Director Sweet suggested a representative from the Santa Barbara County Flood Control and Water Conservation District be invited to give a more in-depth presentation.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Trujillo reported on his attendance at Leadership Government Day honoring the graduates of the Chamber of Commerce Leadership Class. He also reported on the Community Action Commission dinner he attended where the Mayor and Judge Garcia were honored. He also reported that Dr. Laura Schlessinger would be here in Santa Maria on February 15th for a fundraiser for the Library. He said the tickets are $100, and he believed the City needed to support it.

Councilmember Patino reported back in December there was a summit on methamphetamines. On January 30th an organizational meeting was held to find ways to attack this problem in Santa Barbara County. Fighting Back Santa Maria Valley is taking the lead in the Santa Maria area. Last Saturday evening was the Special Olympics Fundraising Dinner. It was very well attended. She also reported on attending the Badge Pinning Ceremony for the Fire Department. She announced that Wednesday, February 7th, would be the Police Employees Award luncheon.

Councilmember Zacarías commended Mayor Lavagnino for being recognized by the Community Action Commission. She attended the Santa Maria Indians Hall of Fame

dinner and the 9th annual Women's Political Committee brunch. She was also a menudo contest judge. She thanked the members of City staff who invested time in providing training and information to her as a new Councilmember.

Councilmember Zacarías raised the issued of having the City Council agendas available one or two days earlier. She said she recognized that as a decision maker she had a learning curve. It has been her practice in making decisions to talk to the community, and she wants to be able to talk to City staff when she has questions. She said she doesn't have enough time to do that. She reviewed a survey of other cities' agenda timelines. She asked the Council to consider their newest member's attempt to be inclusive in her decision making process as well as the community's opportunity to learn about what is happening and have time to respond and work with City Administration.

Mayor Lavagnino asked if requesting a continuance for more complex items would help her. If she asked or anyone asked for a continuance, the Council had never refused a request.

Councilmember Zacarías stated she appreciated the opportunity to ask for a continuance. She said she wanted to be respectful of the process in place which is to try to be efficient in the way decisions are made and to not prolong the decisions because they do impact others. Having that extra day or two ahead of time, would provide time to have those conversations. She said she would appreciate the extra time for herself and on behalf of the public.

City Manager Ness stated that this is not an agendized item on the agenda. The Council could not take any action. Additionally, staff was not prepared to address the issue at this meeting. One of the decisions the City Council could make, if it chose, would be to place this on the agenda at a future time for discussion. Or the Council could make a decision not to take any action. Council could not take any action tonight to implement a change in the agenda process.

City Attorney Trujillo stated the proper procedure would be for a Councilmember to make a motion to place the item on a future agenda and have it seconded. If there was no second, the motion would fail which would constitute no action.

Councilmember Zacarías moved to direct staff to place an item on the next agenda for discussion about creating additional time for the public and the Council to have agenda items before action. The motion died for lack of a second.

Councilmember Orach stated the City of Santa Maria runs a tight ship with a small staff. When you look at some of the other cities and their employee to population ratios, they are much higher than Santa Maria's. Staff could work on the agenda and get it out earlier, but that is not reality.

Mayor Lavagnino asked how many employees per 1,000 population Santa Maria has compared to the other cities surveyed.

City Manager Ness indicated that Lompoc has about 8 employees per 1,000 population, San Luis Obispo had 7.2, Santa Barbara had 10, and Santa Maria has 4.98 employees per 1,000 population. Santa Maria did not have the number of employees some of the other cities did, and the City prides itself on that. Due to necessity, the City had to operate on a much more efficient level.

Councilmember Orach stated Jim May sat next to him on the Council a number of years ago, and he was an elegant person and always a gentleman whether you agreed with him or not. He loved this community. Oak Valley was one of his pet projects which provided a lot of affordable homes. The City is going to miss him.

CLOSED SESSION

Council recessed to Closed Session at 8:40 p.m. for Conference with Labor Negotiator pursuant to Section 54957.6 of the Government Code; Agency representative:

Assistant City Manager; Employee organization: Santa Maria Police Officers Association (SMPOA).

After the Closed Session, the following was announced:

Conference with Labor Negotiator: SMPOA - Direction to staff was given.

ADJOURNMENT
On motion by Councilmember Patino, seconded by Councilmember Orach, and carried unanimously, the meeting was declared adjourned in honor of former Councilmember Jim May at 9:23 p.m. by order of Mayor Lavagnino.

APPROVED

February 20, 2007
Date

Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

ATTEST

Chief Deputy City Clerk

Mayor of the City of Santa Maria